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MEMORANDUM FOR : Assistant Secretary Richard Armitage

THROUGH : Henry S. Rowen
Chairman, National Intelligence Council

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SUBJECT : Secretary Weinberger's Visit to Beijing: Probable Chinese
Objectives and Tactics; Implications for the US

SUMMARY

Secretary Weinberger's visit comes at a time when the Chinese want to continue the improving trend in US-Chinese relations, unsettle Soviet calculations about partial normalization of Sino-Soviet relations and probe the relaxation of US policy on technology transfer. To attain these goals, the Chinese will resort to an array of traditional tactics, such as making the most of their role as hosts and orchestrating pre-visit planning. The Chinese will also exploit US interest in a renewed strategic dialogue and will play on an alleged US need for a successful outcome to the visit.

There are several weak points in China's position. From Beijing's viewpoint, there is some urgency that the visit succeed, especially since Sino-Soviet negotiations of the past year appear to have run into snags, and Moscow and Washington recently have adopted a more conciliatory tone towards each other. Deng and his successors need to show that they can manage the opening to the West, especially the US relationship, and want to assure a flow of technology which only the US can provide.

Among pitfalls for the US are making commitments that cannot be fulfilled, striving to discuss explicitly and publicly a strategic relationship for which the Chinese are not ready, and confusing known Chinese interest in buying weapons prototypes and know-how with doubtful Chinese interest in making major purchases of US weapons.

The Chinese are interested in close coordination on regional problems where interests coincide, and they probably will be receptive to proposals for an expanded program of military exchanges. Against this backdrop, the Chinese should respond favorably to an approach from Secretary Weinberger that holds expectations to a modest level, seeks to reestablish a low-key dialogue on shared security goals, avoids making commitments that will be difficult to fulfill later, but gives the Chinese something they can use as leverage against the Soviets.

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Chinese Objectives

Continue the improving trend in US-Chinese relations -- The invitation to Secretary Weinberger confirms Chinese interest in stable US-Chinese relations.

- The invitation also reflects a Chinese judgment that the national security-foreign policy team currently in place in Washington could remain in place for the foreseeable future. Having originally expected that team to change in 1984, the Chinese are now looking for ways to work with it.
- Their search for ways to work with the current team probably began during the February visit of Secretary Shultz and certainly continued with the May visit of Secretary Baldrige. In Chinese calculations the three visits are probably linked.

Unsettle Soviet calculations -- The Chinese gained little from the first two rounds of talks with the Soviet Union, and as a result, wish to put pressure on the Soviets in advance of the third round of talks, currently scheduled for fall. This accounts in part for the timing of Secretary Weinberger's visit. It also demonstrates once again that Chinese policy towards Washington and Moscow is closely linked.

- Just as the Chinese are ready to work with a US administration that may remain in office for some time, so the Soviets may have reached similar conclusions, leading the Chinese to fear improvements in US-Soviet relations. The experience of the 1970s -- when Moscow and Washington pursued detente while Beijing sat on the sidelines -- remains an unpleasant memory for them. Thus the Chinese probably calculate that Secretary Weinberger's visit will unsettle the Soviets and could retard progress in US-Soviet relations.
- Deng may have justified Secretary Weinberger's visit to his Chinese opposition primarily as a tactic aimed at unsettling the Soviets. Part of this opposition is located in the ranks of the senior military.
- In describing Secretary Weinberger's visit as unsettling to the Soviet Union, Deng may also have claimed that the visit will increase China's capacity for maneuver between the superpowers, an announced goal of China's so-called "independent" foreign policy.

Probe the relaxation of US policy on technology transfer -- The Chinese probably believe that the recent relaxation in US policy is a consequence of Chinese pressure over the last several years. Their objective now is to make that relaxation concrete and lasting. To accomplish this, they will probe the meaning of the transfer of China from Export Control Category P to V and will try to learn what the application of national security controls will mean.

- The Chinese are aware that the Department of Defense plays a key role in the technology transfer process. Accordingly, the Chinese will go all out to establish smooth working relationships with Secretary Weinberger and his key officials in the typically Chinese expectation

that good personal ties will promote a more favorable response from Defense on license applications.

- Technology transfer could play an important role in China's economic development, though problems with some major technology transfer schemes -- the Spey engine contract and the Baoshan steel complex, for example -- are reminders that China's ability to absorb advanced technology is limited. But in the eyes of the Chinese leadership, technology transfer is also a question of equal treatment and discrimination. For this reason, Chinese probes of US policy will concentrate on differences between how the US plans to treat China under Category V and how the US currently treats other foreign customers under Category V.

Maintain pressure on the Taiwan Arms Sales Issue -- The Chinese are aware that Taiwan representatives deal directly with the Department of Defense on arms sales; they are also probably aware that Defense makes many of the decisions on what arms Taiwan can buy. Since the Chinese allege that the US is not complying fully with the Taiwan arms sales agreement, they are certain to apply pressure on Secretary Weinberger, whom they believe has considerable authority over what is sold to Taiwan.

- In applying this pressure, the Chinese will exploit ambiguities in the arms sales agreement. For example, although the agreement calls for the US "gradually to reduce" sales, the amount of the reduction is not specified. The Chinese aim is to push for large reductions. Other language calling for "final resolution" of the problem is equally ambiguous, but the Chinese claim that "final resolution" means termination of all arms sales in the foreseeable future.
- Applying pressure on the US over the Taiwan arms sales issue also appeals to critics of close US-Chinese ties. The more intense the pressure on the US, the more these critics are likely to be mollified.

Resume military to military contacts -- Most military to military contacts have been suspended since 1980. With an eye on their need for stable bilateral relations with the US and the desirability of unsettling Soviet calculations, the Chinese appear ready to resume these contacts, perhaps in the form of stepped-up exchanges of delegations, visits, and joint training activities.

- The Chinese may want to resume planning for a visit similar to the aborted visit of then Assistant Chief of General Staff Liu Huaching. But they will not fix a time for the visit until they are satisfied concerning changes in US technology transfer policy.
- The Chinese also probably expect Secretary Weinberger to invite his counterpart, Defense Minister Zhang Aiping, to visit Washington. Although they will welcome such an invitation, they will remain coy about timing, again waiting to see the results of technology transfer policy changes. The Chinese are masters at using foreign expectations about visits to exert pressure.

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- In agreeing to expanded future military to military contacts, the Chinese will seek to manipulate these contacts in the context of Sino-Soviet relations. At times they will want these contacts to receive public attention; at other times they will prefer less publicity.

Chinese Tactics

The Chinese will exploit their role as host -- Chinese hospitality is legendary, but behind the smiling cordiality is the calculation that the host's control of the environment, agenda, and press confer key advantages. The Chinese will use their role as host to reward what they consider to be favorable responses from Secretary Weinberger's delegation and to discourage unfavorable ones.

The Chinese are using resumption of a strategic dialogue as a carrot -- Knowing the importance the US attaches to a strategic dialogue with China, the Chinese froze the dialogue early in 1982. Meanwhile, they have moved towards a public posture of greater "independence" between the superpowers. Although unlikely to agree to public statements about a strategic dialogue, the Chinese will play on the US desire to resume loose strategic cooperation and ties.

The Chinese are trying to appear as the aggrieved party -- The Chinese continue to claim that the US is violating the Taiwan arms sales agreement as well as the Shanghai and Normalization Communiques. These claims, together with the contention that US export controls amount to unequal treatment for China, are intended in part to induce feelings of guilt and thus make the US more responsive.

The Chinese are noisily espousing an "independent" foreign policy line -- Adopting less alignment and greater maneuver between the superpowers as a tactic, the Chinese proclaim their independence from Moscow and Washington. This tactic is intended in part to fuel US anxieties that the US-Chinese relationship is threatened.

The Chinese will hint at improved Sino-Soviet relations -- Just as the Chinese will use Secretary Weinberger's visit to unsettle Moscow, so as the visit approaches they will play up the third round of Sino-Soviet talks to unsettle Washington. Meanwhile, the Chinese will continue to assert that they are not playing cards with either superpower.

The Chinese will orchestrate pre-visit planning -- A favored technique is to proceed slowly with agenda planning, leaving final decisions to the eve of the visit, and to hold out the promise, but not the commitment, for meetings with high-level figures such as Deng and Hu. Such meetings are then granted or declined at the last minute as a means of underlining the success or failure of the visit.

The Chinese will play on an alleged US need for a successful visit -- Having learned from a succession of high-level visits through the years that most foreigners look for tangible accomplishments in Beijing, the Chinese will hint at the possibility of failure in order to encourage maximum US flexibility. In particular, they will stress the need for the US "to bring something" to Beijing in order to assure a productive atmosphere.

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The Chinese will try to manipulate the foreign press to their advantage
-- Prior to the visits of Secretaries Shultz and Baldrige, the Chinese used the press to pose as the injured party; during these visits, press manipulation continued. In the case of Secretary Shultz's visit, Premier Zhao Ziyang publicly declined to fix a time for his visit to Washington before he even had an opportunity to discuss the visit with Secretary Shultz. Subsequently, when the White House appeared to imply that a time had been fixed, the Chinese issued a public denial.

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Implications for the US of Chinese Objectives and Tactics

Weak points in the Chinese Position-- Secretary Weinberger's visit comes at a time when both Beijing and Moscow, influenced by their assessments of the 1984 US election, are seeking better working relations with Washington. From Beijing's viewpoint, there is some urgency that Secretary Weinberger's visit succeed, especially since Moscow and Washington recently have adopted a less strident tone towards each other than at any time over the last three years.

- Of greater long-term significance, China's perception of the Soviet Union as the principal threat to their security and of the United States as the only strategic counterweight to that threat has not changed sufficiently as a result of recent Sino-Soviet contacts to allow more than tactical adjustments to Chinese-US relations. China needs the US -- and the US needs China -- for the same reasons that brought the two countries into contact in the early 1970s.
- The Chinese need for stable relations with the US flows also from Beijing's own political agenda. In the next few years the succession from Deng to his chosen successors is likely to top this agenda; domestic political stability thus is a key requirement. A demonstration by Deng and his heirs that they can manage the US relationship clearly promotes stability.
- China also needs a stable relationship with the US to assure a flow of technology. Resource constraints and the technological backwardness of China's military research and development and defense production industries will prevent significant modernization of conventional forces over the next decade, thus assuring that China still needs to train personnel overseas and to import technology from abroad. Only the US can provide the needed training and technology.

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- Americans who have dealt with the middle ranks of the PLA officer corps since 1979 have reported a keen Chinese interest in expanding contacts with the US. The middle ranks want to learn from American counterparts and also want the benefits of contact -- particularly the regular trips to the US that their civilian counterparts routinely make. Accordingly, on the Chinese side there is pressure to expand exchanges, but it is restrained by the reluctance of the senior PLA leadership to become further involved with Washington.

And some pitfalls for the US -- The past record of high-level military contact between the US and China is sprinkled with examples of US statements of intention that the Chinese chose to interpret as commitments that could not later be fulfilled. As an illustration, the Chinese expected more military technology to be transferred as a result of Secretary Brown's 1980 visit and the follow-up visits by Undersecretary Perry and Assistant Secretary Dineen than was actually the case. Although the American side made no specific commitments, US statements that it was "willing to consider" or "would look favorably" or "would be inclined to approve license applications" were apparently received by the Chinese as pledges.

- The Chinese will welcome presentations on technology transfer, training, and exchanges where approval is certain, either because, as in the case of military training and exchanges, Secretary Weinberger has approving authority, or because, as in the case of technology transfer, agreement to license has been reached in advance in Washington.
- The Chinese are not significant buyers of foreign military equipment or technology, despite aggressive selling campaigns by British, French, Italian, Swedish, and Austrian defense representatives. Two factors account for this: first, China lacks the necessary hard currency; second, China appears determined to pursue self-reliance as a goal. In these circumstances, it is highly unlikely that the Chinese will become major buyers of any US military equipment or technology. What the Chinese do want is prototypes, licenses, and know-how. US proposals that do not take into account these factors are likely to lead to future misunderstandings.
- Chinese counterparts met in Beijing are likely to have mastered the record of previous high-level military contacts, and they can be expected to draw from and build on that record. Beyond the three high-level visits mentioned above, the Chinese will also be familiar with the portion of Secretary Haig's 1981 visit that covered military sales. Any signs that the American side is not equally familiar with the record will feed Chinese fears that the bilateral relationship lacks continuity and will put the US at a disadvantage.
- The Chinese have learned that foreign political leaders usually characterize visits abroad as successful, regardless of the outcome. They have also learned to use these expectations as a pressure point, hinting that the visitor should make important concessions to assure success.

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Shared Goals in Security Policies

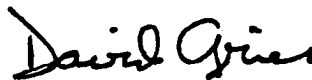
Since the Chinese have carefully avoided mention of a strategic relationship with the US since signing the Taiwan arms sales agreement, they are likely to limit themselves to exploring parallel world views, rather than talking explicitly about a strategic relationship.

- US understanding of this limitation will be well received. The Chinese are not ready for a close strategic relationship with the US and cannot be pushed into acknowledging one.
- On the other hand, the Chinese may be interested in close coordination on regional problems -- Afghanistan and Indochina -- where the US and China share security goals. The Chinese will probably respond best to a US presentation that starts from these shared regional goals and proceeds to global consideration of Soviet objectives.

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In sum, at this juncture the Chinese are only prepared to discuss a modest agenda of shared security policies. Conversely, they are likely to resist any US efforts to call attention to the strategic relationship or to buttress that relationship with expensive military sales.

- The Chinese reacted favorably when Secretary Shultz, during his February 1983 visit to Beijing, pointedly failed to propose any quick fixes for bilateral irritants and declined to make commitments about the future; for the Chinese it was sufficient that he listened patiently and concentrated on strengthening channels of communication.
- The Chinese will probably respond favorably to a similar approach from Secretary Weinberger that holds expectations to a modest level, seeks to reestablish a dialogue on some shared security goals, but avoids making commitments that will be difficult to fulfill later.



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